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# An Economic Lift

The Central American Free Trade Agreement, which went before Congress this week, would open new markets for U.S. exports and deserves approval.

Under its terms, half of U.S. farm products and four-fifths of our commercial and industrial exports would enjoy immediate duty-free access to Central America; remaining tariffs there would be phased out over 10 years. Supporters say U.S. agricultural exports would grow by up to $1 billion annually if CAFTA is approved.

The agreement, however, is running into the usual obstacle course faced by trade accords. One of the biggest opponents is the sugar industry, which is also one of the biggest recipients of corporate welfare.

U.S. trade quotas strictly limit sugar entering the United States, reducing competition and ensuring that America's domestic sugar prices remain two or three times the world market rate. That's wonderful for U.S. producers. But it's a bad deal for consumers -- and a bad deal for poor, sugar-producing countries hoping to build wealth via exports.

CAFTA would allow an increase in sugar imports, but a small one. Even so, U.S. sugar producers are fighting the pact. Many American textile producers are also against CAFTA, but the accord makes good sense.

Most products from the participating countries -- Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua and the Dominican Republic -- already enter the United States duty-free. The agreement will require only minor changes in U.S. policy, and provide a moderate lift for the economy.

America exports about $15 billion to CAFTA countries.

The pact would substantially open Central American markets for our products, and provide U.S. consumers with more choices at lower prices. CAFTA is expected to win approval in the Senate easily, but will face tough opposition in the House -- which is why the White House must push hard for the needed votes.